

are we creating to put middle-class taxpayers at risk, and in doing so I would hope that we would continue to speak about this issue on the House floor.

TIME TO COME CLEAN ON BAILOUT OF MEXICO

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Under a previous order of the House, the gentleman from Georgia [Mr. BARR] is recognized for 5 minutes.

Mr. BARR. Mr. Speaker, over the last 24-hour period, we have heard a litany of reasons in support of what the Clinton administration has done in its efforts to prop up the Mexican peso.

We have heard, for example, that the United States economy will suffer irreparable harm if the Mexican economy remains as weak as it is.

We have heard that illegal immigration will explode if the United States does not prop up the Mexican peso.

We have heard intimations that Mexico and other Latin countries will be unable to help continue to control certain undesirable activities such as drug trafficking and money laundering from and through Latin America.

We have heard that delayed action is worse than no action.

We have heard that other Central American countries will soon follow Mexico unless we act in behalf of Mexico.

We have heard that an untold number of jobs here in this country will be lost and money will be lost here in this country, including from perhaps some very important pension funds, if the United States does not act and prop up the Mexican peso.

If in fact, Mr. Speaker, the consequences that would befall the world economy and the United States economy were as dire as the administration is now saying they are, one might very legitimately ask, as I do, where were they when the groundwork was being laid for this crisis through either action or inaction on the part of the Mexican Government?

Where were they when we had before the U.S. Congress Committee on Banking and Financial Services just 1 short week ago asking the 3 top officials from this administration, Secretary Christopher, Secretary Rubin, and Chairman Greenspan to justify to us specifically and explicitly why at that time the administration was telling us that unless congressional action occurred, all of these dire consequences would befall.

We asked, for example, when these gentlemen were before the Banking Committee on which I have the honor of serving, what guarantees do we have? How will we know and how can we assure the American people that Mexico will not default on the loan guarantees that this administration was asking us in Congress to provide to them through legislation?

The only thing that these witnesses could tell us was, and I remember one

witness explicitly stating this, we have a team of the finest lawyers in Government and we are sure that they will draft up a document that provides us those guarantees.

Well, Mr. Speaker, that does not leave me satisfied and that does not leave my constituents satisfied. They continue to ask some very important questions that are deeply troubling to me and to my constituents in the 7th District of Georgia.

What happens with that \$20 billion, and many other billions of dollars that are now going to directly prop up a foreign currency? If and when, as many of us expect, the Mexican Government fails to take the steps, the hard steps that are necessary to ensure its continued viability and to ensure the rebounding of the peso, what will in fact happen to those moneys?

What will in fact happen, Mr. Speaker, for example, if in some other part of the world with regard to some other currency, the U.S. dollar, which is the currency that I care about and that the American people care about, runs into problems and we go to the Stabilization Fund and we find that the cupboard is bare? What then do we tell our constituents?

What do we tell our constituents down the road, Mr. Speaker, when the next country comes to us and says,

Yes, we know you are having to ask your citizens to tighten their belts. We know you in America are having to make tough decisions to cut back governments and cut back guarantees in your own country. But you helped out Mexico. Now you must help us out.

These are things, Mr. Speaker, that I think the American people are legitimately asking of this administration which has yet to deliver to us in the Congress an executive order that sets out in black and white where it thinks it has the legal statutory authority to do what it did.

The questions, Mr. Speaker, far outnumber the answers that have been forthcoming. I think it is past due time for this administration to come forward, to come clean and to provide us the background information to let us know why did we get to this situation, what is truly happening, and why this action is necessary.

Mr. Speaker, I thank you for the time to address this very important problem for the people of this country.

LINE-ITEM VETO AND REMAINING CONTRACT WITH AMERICA ITEMS DESERVE BIPARTISAN SUPPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, today is a very special day, I believe, in the House of Representatives because here today we passed for the first time H.R. 5, which, in fact, will give us unfunded mandate relief. For

too long our State, local and county governments have been forced to pay for the programs that Congress has foisted upon them without any input from the State, local or county governments. As a result of our actions today, counties and local governments will no longer be obligated to pay for programs we passed here in Congress. From now on, if we in Congress wish to pass a bill, we will have to pay for it at this time.

I was very happy to see, Mr. Speaker, this was a bipartisan effort. I suspect and hope that, along with the American people, that the other items in the Contract With America will have similar bipartisan support.

In reflecting on our recent weeks here in Washington in this 104th Congress, we have already seen a balanced budget amendment adopted, which will help get our fiscal House in order and help us reduce our deficit. We have also seen, as I said, the unfunded mandates bill being passed, and now the third part of the program, the line-item veto, is legislation we are about to embark upon, starting with discussions and debates tomorrow morning.

I am proud to be an original cosponsor of this important piece of reform legislation. In the past, Mr. Speaker, the President had no authority to remove specific items of pork-barrel legislation and now it will be possible for the President to remove waste without rejecting the entire budget package.

A line-item veto will also restore the proper balance between the President and the Congress. In the mid-1970's the Congress upset the balance when it changed the budget process and consciously undermined any President's ability to constrain the growth of Federal spending. Ever since these changes in the process occurred, Congress has been able to simply ignore the President's rescission requests.

The Republican-proposed line-item veto will force Congress to debate and vote upon the President's proposals. This will give the same kind of line-item veto most of our Nation's Governors have to remove wasteful spending which does appear in budgets.

Clearly a line-item veto alone will not solve the deficit problem overnight, but it will move us toward the fiscal responsibility this 104th Congress deserves and wants on behalf of the American people. It would enable the President to slash the pork that is in the budget, would help us to maintain the ability of Congress to disagree with the President, but the Congress would also restore spending cuts by the President if it thought the package of rescissions were inappropriate.

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I believe that the line-item veto, when combined with the balanced budget amendment and now the unfunded mandates reform will go a long way in making sure that this Congress

completes its Contract With America and helps us to economic recovery as every American wants.

WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, I support welfare reform. Reform, however, does not mean change for the sake of change. Reform means change for the sake of improvement. As we move to reform the welfare system, let us make sure that we make a better system, not just a different system. Some of our programs are working and working well. Nutrition programs have proven their worth.

This morning, the House Committee on Agriculture held its first hearing of the 104th Congress. The subject of the hearing was the Food Stamp Program. During the hearing, we heard of instances of fraud and abuse. The information received at the hearing may tempt some to call for the elimination of the Food Stamp Program. Such calls, however, would not take the good that the program does into account. The good far outweighs any problems that the program may experience.

The Food Stamp Program was instituted to confront hunger in America. Over 27 million people in the United States are served by the program—more than half of them, 51 percent—are children. Seven percent are elderly. In the State of North Carolina alone, over 627,000 people receive food stamp benefits—and over half of that total, 323,552—are children.

In 1993, North Carolina received \$512 million in food stamp funding. In my district, 74,370 hungry people benefit. However, with the cuts that have been proposed in nutrition programs, it is estimated that North Carolina will lose nearly 20 percent of its food stamp funding. That loss will mean the loss or reduction in benefits for almost 44,000 North Carolinians. Additionally, it is estimated that should the Food Stamp Program be converted to block grants, approximately 3,122 jobs will be lost in North Carolina alone—this means about \$33.9 million in lost wages. This is just in my home State of North Carolina. Mr. Speaker, that is but one legacy of the balanced budget amendment and the contract on America. The people have a right to know. Unless we act to prevent it, there will be drastic cuts in funds for school meals and WIC as well.

This Nation is great, not because of its military might, although it is important to be strong militarily. We are great, not because of our success in diplomacy, although it is important to move effectively in the world arena. What makes us a great nation however, is the compassion we show for those who live in the shadows of life—the young, the old, the poor, and the disabled.

When history and the voters judge us, in the end, we will not be judged by how much we mindlessly cut. We will be judged by how much we truly cared. The school meals program gives to our young people the nutrition they need, the strength that is required, to make it through the school day. Last year we fed free and reduced price breakfast to more than 5 million children nationwide. The money we spent for that program, nationwide, is now threatened.

In North Carolina, 180,000 children were fed breakfast, free or at a reduced price last year. Those children may go hungry at school next year. That could be one of the legacies of the balanced budget amendment and the contract on America. The people have a right to know, and I intend to tell them. Similarly, the National School Lunch Program which served 13½ million children last year, will likely serve far fewer next year.

In North Carolina, money from the national program was spent to serve free or reduced priced lunches to some 379,000 children. The people have a right to know that those funds may be lost. The special supplemental program for women, infants, and children [WIC] is threatened. Important Federal funds were spent last year for 6 million WIC participants. Nearly \$74 million of those funds were spent in North Carolina, servicing 169,000 WIC participants from my State.

After school programs, summer programs, violence prevention programs all may be slashed for years to come under the balanced budget amendment mandate and the contract on America. The people have not been told about these cuts, and they have a right to know. We face the creation of thousands, perhaps millions, of new orphans because we are threatening to cut the cord of life from those parents, struggling to make ends meet, and their children, innocent in every respect.

Mr. Speaker, I support welfare reform and I include the remainder of my speech in the RECORD at this point, as follows:

Yes, I support welfare reform. But, in the words of Susan B. Anthony, "Cautious, careful people, always casting about to preserve social standing, can never bring about reform." These are not times to be cautious and careful about government.

Yes, we need a smaller, more effective government. But, we also need a bold and visionary government—a government that changes with the times, but remains fundamentally unchanged—an instrument for the many, not just for the few.

PESO BAILOUT

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Under a previous order of the House, the gentleman from California [Mr. HUNTER] is recognized for 5 minutes.

Mr. HUNTER. Mr. Speaker, I also want to talk about the bailout, the new Clinton unilateral, nonparticipation by the legislative branch bailout. And I

was just speaking with my friend the gentlewoman from Ohio, MARCY KAPTUR, who has really been a leader in trade and leader on this issue, about what is happening to our country and what is happening to American workers. And I hope that there is a silver lining to the cloud of this bailout issue which hovers over Americans right now, which the President is attempting to dismiss with this use of the Exchange Stabilization Fund, if he is to bail out Mexico without requiring Congress to vote up or down.

The silver lining that I am looking for is a realization in this body, in the House of Representatives, of the fact that our blind adherence to free trade, that is leveling all borders, all tariffs between us and the rest of the world, regardless of the circumstances, regardless of whether or not they let us into their borders, regardless of the displacement of American workers, relying on the blind adherence on the Republican side and the Democrat side in some cases.

Let us talk a little bit about the peso bailout and some of the conservative Republicans who recently have testified in our forums.

Bill Seidman is a conservative Republican renowned economic leader, former chairman of the FSLIC, a guy who knows bailouts, and he made a couple of good points in his speech to our forum when he said, "Do not bail out Mexico."

First, he does believe in the free market and he could not understand why people who believe in a free market and who believed in NAFTA would now believe that somehow the politics and the economics of subsidies to Mexico now make sense.

He pointed out that Mexico has gone through in the last 10 or 20 years a number of devaluations, and they have not had these disastrous apocalyptic effects that all of the deep breathers tell us are going to happen now if we do not bail out Mexico with a \$40-billion-plus package. Here is Bill Seidman, a renowned conservative economic expert relied on by this Nation in very difficult times saying we do not have to do it, let the market adjust it. He made a great statement. He said this issue should be resolved between Mexico and her creditors, let us resolve this between creditor and debtor.

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Let us stay out of this as the United States of America. In listening to witness after witness on the Democrat side and the Republican side across the political spectrum coming up and testifying against the bailout, it occurred to me that this has revealed another aspect of national policy that should be looked at very closely.

If this is free trade, this is the result of free trade where a tiny nation economically like Mexico, which has approximately the economy the size of New Jersey's, can be in a position to pull the United States down because it